

For 1998 CALENDAR YEAR, or fiscal year beginning _____, 1998, and ending _____, 19 _____

Name of estate or trust	Check applicable box(es): a. <input type="checkbox"/> Decedent's estate b. <input type="checkbox"/> Simple trust c. <input type="checkbox"/> Complex trust d. <input type="checkbox"/> Grantor type trust e. <input type="checkbox"/> Bankruptcy estate f. <input type="checkbox"/> Pooled income fund g. <input type="checkbox"/> First return h. <input type="checkbox"/> Final return	Employer identification number*
Name and title of fiduciary		If a trust, enter date trust was created ➤
Mailing address of fiduciary		If a decedent's estate, enter date of decedent's death ➤
City or town, state, and Zip code		Check if applicable: <input type="checkbox"/> Amended return <input type="checkbox"/> Extension attached
Filing category: <input type="checkbox"/> Resident <input type="checkbox"/> Nonresident	Was a Form 38 filed for this estate or trust for the preceding tax year? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Does the estate or trust have nonresident beneficiaries? <input type="checkbox"/> Yes <input type="checkbox"/> No		

- Complete either Schedule 1 (Short Method) or Schedule 2 (Long Method). DO NOT complete both. If you complete Schedule 2, leave lines 1 through 9 on this page blank. See instructions for which method to use.
- All filers must complete lines 10 through 20 on this page, regardless of whether Schedule 1 or Schedule 2 is used.
- All filers must complete Schedule 3 on the reverse side.

Schedule 1 (Short Method)

1. Federal income tax liability — See instructions for amount to enter on this line.

If lines 3, 4 and 5 do not apply, skip lines 2 through 8, and enter amount from line 1 on line 9 (A)

2. Income less distribution deduction (from Federal Form 1041, line 9 less line 18) (B)

3. Residents only: Interest from U.S. obligations (C)

4. Nonresidents only: Income (loss) not reportable to N.D. (Attach statement) (D)

5. Other (See instructions) (Identify) (E)

6. Total (Add lines 3, 4 and 5) (F)

7. North Dakota income (Subtract line 6 from line 2) (G)

8. North Dakota income ratio (Divide line 7 by line 2. Round to two decimal places.

If line 7 equals line 2, enter 1.00) (H)

9. Adjusted federal income tax liability (Multiply line 1 by line 8) (H)

- All filers must complete lines 10 through 20 below.
- Lines 13 through 16 apply only if Schedule 2 (Long Method) is used to compute the tax.

10. North Dakota income tax: If Schedule 1 (Short Method) is completed, multiply amount on line 9

by .14 (14%). If Schedule 2 (Long Method) is completed, enter the amount from Schedule 2, line 19 (I)

11. Residents only: Credit for income tax paid to another state (from Schedule 4, line 7 on page 2) (J)

12. Balance (Subtract line 11 from line 10) (K)

The following credits apply only if Schedule 2 (Long Method) is used to compute the tax.

13. North Dakota venture capital corporation investment credit (K)

14. North Dakota SBIC investment credit (L)

15. North Dakota nonprofit development corporation investment credit (M)

16. Qualified business seed capital investment credit (R)

17. Net tax liability (Line 12 less lines 13 through 16. If less than zero, enter -0-) (N)

18. 1998 estimated income tax payments (Form 401-ES) (P)

19. Refund (If line 18 is greater than line 17, subtract line 17 from line 18. If less than \$5.00, enter -0-) (Q)

20. Balance Due (If line 17 is greater than line 18, subtract line 18 from line 17. If less than \$5.00, enter -0-)

Make check or money order payable to **State Tax Commissioner****Attach a complete copy of the 1998 Form 1041**

I declare under the penalties of North Dakota Century Code § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return. *For Federal Privacy Act Information, see General Instructions.

Signature of fiduciary or authorized representative	Date	Fiduciary's daytime phone Area code () _____-_____-_____ _____-_____-_____ _____-_____-_____	Please Do Not Write In This Space "Buy North Dakota Products"
Signature of paid preparer	Date		

Schedule 2 (Long Method)

- Resident filer: Complete lines 1 through 19.
- Nonresident filer: Skip lines 1 through 13. See instructions for line 14; then complete lines 14 through 19.

1. Total income (from Federal Form 1041, line 9)	1		
2. Total deductions (from Federal Form 1041, line 16 plus line 19 plus line 20)	2		
3. Balance (Subtract line 2 from line 1)	3		
4. North Dakota additions (See instructions) (Attach supporting schedule)	4		
5. Balance (Add line 3 and line 4)	5		
6. North Dakota subtractions (See instructions) (Attach supporting schedule)	6		
7. Balance (Subtract line 6 from line 5)	7		
8. Federal income tax - See instructions for proper amount to enter on this line	8		
9. Amount from line 1 above	9		
10. If there is an amount on line 6, see the instructions for the amount to enter on this line. If line 6 is zero, enter amount from line 8 on line 13, and go to line 14	10		
11. Balance (Subtract line 10 from line 9)	11		
12. North Dakota income ratio (Divide line 11 by line 9. Round to two decimal places. If line 11 equals line 9, enter 1.00)	12		
13. Federal income tax deduction (Multiply line 8 by line 12)	13		
14. North Dakota income (loss) before distribution deduction (Subtract line 13 from line 7)	14		
15. North Dakota distribution deduction (See instructions) (Attach supporting schedule)	15		
16. North Dakota taxable income (Subtract line 15 from line 14)	16		
17. North Dakota income tax (Compute tax using Tax Rate Table below and enter result)	17		
18. Credits (See instructions) (Attach supporting schedule)	18		
19. North Dakota income tax (Subtract line 18 from line 17) Enter here and on line 10, page 1, Form 38	19		

Form 38 (Long Method) Tax Rate Table

If amount on line 16 is:		Your tax is:	
Over	But not over	Over	But not over
\$ 0	\$ 3,000	\$ 8,000	\$ 15,000
3,000	5,000	15,000	25,000
5,000	8,000	25,000	35,000
		35,000	50,000
		50,000	-----

2.67%	of amount over	\$ 8,000
4.00%	of amount over	\$ 3,000
5.33%	of amount over	5,000

plus	6.67%	of amount over	\$ 8,000
plus	8.00%	of amount over	15,000
plus	9.33%	of amount over	25,000
plus	10.67%	of amount over	35,000
plus	12.00%	of amount over	50,000

Schedule 3 — Beneficiary information

Name and address of beneficiary	Beneficiary's social security number or FEIN	Beneficiary's share of North Dakota income (loss)
<ul style="list-style-type: none"> • If beneficiary is a nonresident of North Dakota, check the box • If additional lines are needed, attach a separate schedule 		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
Total North Dakota income (loss) (Add all beneficiaries' shares of income or loss)		

Schedule 4 — Credit for income tax paid to another state (Resident only)

1. Income from Federal Form 1041, line 9 less income distribution deduction from Federal Form 1041, line 18	1		
2. Portion of amount on line 1 reportable to the other state (See instructions)	2		
3. Credit ratio (Divide line 2 by line 1. Round to two decimal places. If line 2 equals line 1, enter 1.00)	3		
4. North Dakota income tax (from line 10 on page 1 of Form 38)	4		
5. Multiply line 4 by line 3	5		
6. Amount of income tax paid to the other state (See instructions)	6		
7. Credit for income tax paid to another state (Lesser of line 5 or line 6) Enter on line 11, page 1, Form 38	7		

Attach a copy of the income tax return(s) filed with the other state(s)